

# **EXHIBIT 12**

**From:** [REDACTED]@ntrs.com  
**Sent:** Thursday, December 16, 2010 06:15:54 PM  
**To:** [REDACTED]; [REDACTED] A Business Associate 3]@africanglobalcapital.com  
[REDACTED] MICHAEL COHEN; [REDACTED]@ozcap.com;  
vanja.baros@ozcap.com; [REDACTED]@africanglobalcapital.com;  
**Cc:** [SA Business Associate 2]@africanglobalcapital.com;  
[REDACTED]@africanglobalcapital.com; [REDACTED]@ntrs.com; [REDACTED]@ntrs.com;  
[REDACTED]@africanglobalcapital.com  
**Subject:** Africa Management Limited - Investment Recommendation  
**Attachments:** Investment Recommendation [REDACTED] London Holding Co.] 2010 12 16.pdf

Gentlemen,

Please see the attached Investment Recommendation circulated on behalf of the Advisory Committee of Africa Management Limited, in respect of the proposed investment in [REDACTED] London Holding Co.] (via AGC Holdings, Ltd.) by African Global Capital II, L.P.

\*\*\*Please note: My new direct dial number is +44 [REDACTED]\*\*\*



Northern Trust

[REDACTED] Second Vice President | Northern Trust | Private Equity Fund Administration  
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**ADVISORY COMMITTEE OF AFRICA MANAGEMENT LIMITED**  
**AFRICAN GLOBAL CAPITAL INVESTMENT RECOMMENDATION**  
**LONDON HOLDING CO.**

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**To:** Board of Directors, African Global Capital GP II, Ltd.

**CC:** Investment Committee of African Global Capital GP II, L.P.  
Board of Directors, AGC Holdings, Ltd.

**From:** [SA Business Associate 3] and Michael Cohen, as members of the  
Advisory Committee of Africa Management Ltd

**Date:** 16 December 2010

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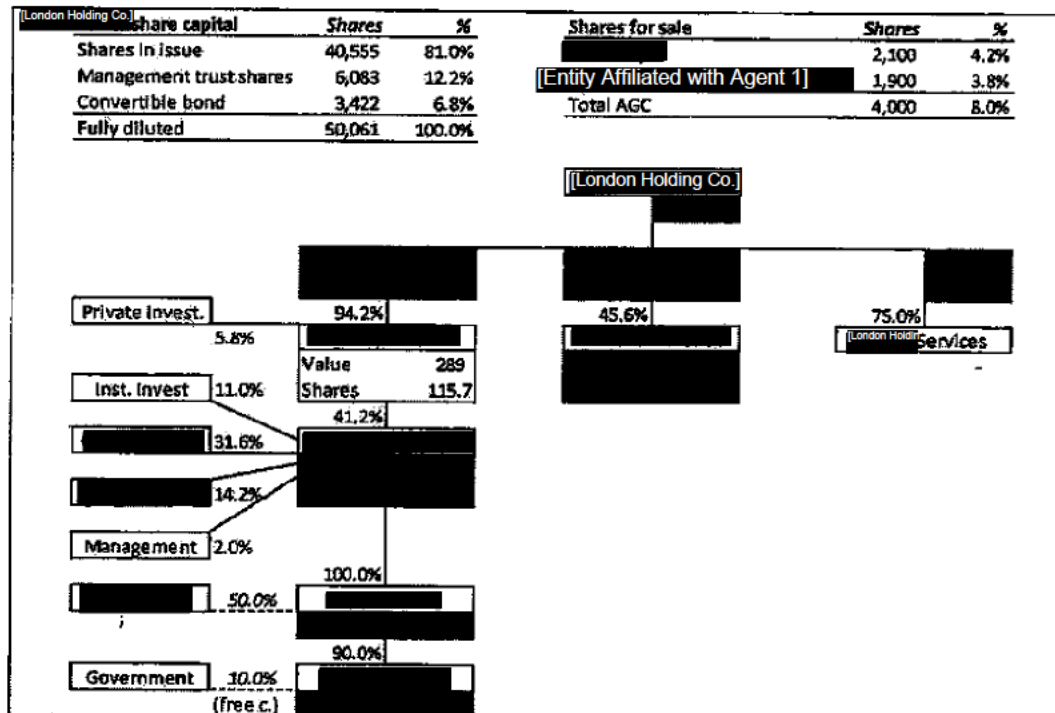
## INVESTMENT RECOMMENDATION- [London Holding Co.]

Sector	Mining: Iron Ore, Coking Coal
Country	Republic of the Congo ("Congo Brazzaville"), Mozambique
Operating Company	[REDACTED]
Parent company	[London Holding Co.]
Opportunity	Acquisition of 8.0 % shareholding in Strata
Deal size	Investment: US\$ 19.7 m

## 1. [London Holding Co.] Overview

[London Holding Co.] is a private investment company founded in 2006 by a group of former [REDACTED] bankers focused on the metals and mining sector, with support from some of the leading industry executives. Since its establishment, [REDACTED] made two major acquisitions: [REDACTED] (Bloomberg ticker [REDACTED]), a coking coal developer with exploration assets in Mozambique, and [REDACTED] (Bloomberg ticker [REDACTED]), whose main interest is in the [REDACTED] iron ore development project in Congo Brazzaville. Both [REDACTED] and [REDACTED] were listed on the London AIM market in 2010 (10<sup>th</sup> June and 18<sup>th</sup> November respectively) and currently have market capitalizations of US\$284m and US\$863m.

[REDACTED] have offered its [REDACTED] shares to AGC at the valuation of US\$ [REDACTED] plus one-off adjustment for 50% of the upside on the [REDACTED] IPO market capitalisation above US\$500m. Another founding shareholder is prepared to sell part of his holdings on the same terms to facilitate AGC investing approximately US\$20m in [REDACTED]. Below is the holding structure at the IPO of [REDACTED].



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